

# **Request for Proposal for**



Financial Audit Services from a Public Accounting Firm  
for TSTC Waco campus for Fiscal Years 2012 and 2013  
(September 1 through August 31)

RFP No: 20131126

Date Due: December 10, 2013 @ 3:00 p.m. CST

**TEXAS STATE TECHNICAL COLLEGE WACO**

**REQUEST FOR PROPOSAL (RFP)**

**FINANCIAL AUDIT SERVICES FROM A PUBLIC ACCOUNTING FIRM FOR TSTC WACO CAMPUS FOR FISCAL YEARS 2012 AND 2013 (SEPTEMBER 1 THROUGH AUGUST 31)**

**Financial Audit Services from a Public Accounting Firm for TSTC Waco Campus for Fiscal Years 2012 and 2013 (September 1 through August 31)**

**OPENING DATE: December 10, 2013 @ 3:00 p.m. CST**

ALL ITEMS STATED IN THIS RFP APPLY TO AND BECOME A PART OF TERMS AND CONDITIONS OF THE RFP. ANY EXCEPTIONS THERETO MUST BE IN WRITING.

**IF YOUR FIRM INTENDS TO SUBMIT A BID FOR THIS RFP, PLEASE COMPLETE THE INFORMATION BELOW AND FAX THIS SHEET TO 254-867-3792 AS SOON AS POSSIBLE.**

The Payee ID Number is the taxpayer number assigned and used by the Comptroller of Public Accounts of Texas. Enter this number in the spaces provided below. If this number is not known:

1. Enter your Federal Employer's Identification Number,
2. Sole owner should also enter Social Security Number.

Proposer Name: \_\_\_\_\_

Payee ID Number: \_\_\_\_\_

Company Name: \_\_\_\_\_

Address: \_\_\_\_\_

City-State-Zip: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Signature: \_\_\_\_\_

**Please Return your sealed RFP package to –**

**MAIL PROPOSALS TO: HAND DELIVER PROPOSALS TO:**

**TEXAS STATE TECHNICAL COLLEGE  
ATTN: Melissa Warren, CTP  
PROCUREMENT SERVICES  
RFP No: 20131126  
3801 Campus Drive  
Waco, TX 76705**

**TEXAS STATE TECHNICAL COLLEGE  
ATTN: Melissa Warren, CTP  
PROCUREMENT SERVICES  
RFP No: 20131126  
103 10<sup>th</sup> St. (on campus address only)  
Waco, TX 76705**

## **General Information**

Texas State Technical College (TSTC) was established in 1965 as the James Connally Technical Institute (JCTI) of Texas A & M University to meet the state's evolving workforce needs. This college was located in Central Texas at the former James Connally Air Force Base in Waco. At the time, Governor John Connally predicted that it would be "the most sophisticated technical-vocational institute in the country."

In 1967, JCTI expanded to include a South Texas campus in Harlingen. In 1969, the colleges separated from Texas A & M University and became an independent state system, with the name Texas State Technical Institute (TSTI) and its own Board of Regents. Additional campuses were created in 1970 in Amarillo in the Panhandle of Texas and in Sweetwater in West Texas. As the demand for quality technical education continued to grow, extension centers were established in McAllen (1983), Abilene (1985), Breckenridge (1989), Brownwood (1991), and Marshall (1991). In 1991, TSTI was renamed Texas State Technical College (TSTC). In 1999, the extension center in Marshall became an independent college of the system.

Today, the Texas State Technical College System includes four colleges: TSTC Harlingen, TSTC Marshall, TSTC Waco, and TSTC West Texas, which has campuses in Abilene, Breckenridge, Brownwood, and Sweetwater. More than 15,000 students attend TSTC in credit programs alone.

TSTC is the only state-supported technical college system in Texas. With a statewide role and mission, TSTC is efficiently and effectively helping Texas meet the high-tech challenges of today's global economy, in partnership with business and industry, government agencies, and other educational institutions. TSTC has high graduation rates, exceptional postgraduate success rates, and an outstanding record in graduating individuals from diverse cultural and socioeconomic backgrounds.

Among TSTC's strengths are its emphasis on "learning by thinking and doing" and its strong relationships with business, and industry, state-of-the-art laboratories, residential campuses, and student-centered philosophy.

Enrollment was 4,287 in Fall 2012, 3,807 in Spring 2013 and 2,711 Summer 2013 for a total of 10,805. TSTC Waco employed about 750 employees for FY 2013.

Financial Statement balances for FY 2013 are:

FY 2013 Total Assets \$113,486,642, Total Liabilities \$67,726,092 and Total Net Position \$45,760,550.

FY 2013 Total Operating Revenues \$29,939,245, Total Operating Expenses \$70,891,235, Total Net Nonoperating Revenues (Expenses) \$41,070,068, Total Other Revenue (Expenses) Gains/(Losses) & Transfers (\$1,252,218) and Total Change in Net Position (\$1,134,139).

## **Purpose of Solicitation**

**A.** Texas State Technical College Waco, (hereinafter “TSTC”) is soliciting proposals from qualified firms to obtain the services of a public accounting firm for an annual audit for the fiscal years 2012 and 2013. The audit will encompass the general purpose financial statements, combining statements, and other schedules for TSTC for the fiscal years ending August 31, 2012 and August 31, 2013. The audit is to be performed in accordance with generally accepted government auditing standards as promulgated by the American Institute of Certified Public Accountants. TSTC Waco’s accounting policies conform to generally accepted accounting principles as applicable to public entities, and NACUBO, National Association of College and University Business Officers. Proposal Bid finalists will be expected to meet the requirements specified in this Request for Proposal (hereinafter referred to as “RFP”) document.

TSTC Waco does not normally require audited financial statements by an external auditor due to TSTC Waco being an agency of the State of Texas. TSTC Waco’s Annual Financial Report is consolidated into the Texas State Technical College System Annual Financial Report. The consolidated report is part of the single state wide audit for the State of Texas. The Southern Association of Colleges and Schools (SACS) is requiring TSTC Waco to provide audited financial statements as part of their accreditation process.

Successful Proposers will be required to conform to all federal and state regulations including, but not limited to Texas, as they apply to the services provided.

**B.** The financial statement audit is to determine whether (1) the financial statements present fairly the financial position, results of operations, and cash flows or changes in financial positions in accordance with generally accepted accounting principles, and (2) whether TSTC has complied with laws and regulations for those transactions and events that may have a material effect on the financial statements. The financial related audit will also include determining whether (1) financial reports and related items are fairly presented, (2) financial information is presented in accordance with established or stated criteria, and (3) the college has adhered to specific financial compliance requirements.

As part of the audit of the general purpose financial statements, the annual audit will also include obtaining an understanding of the college's internal control structure and reporting any reportable conditions relating to the internal control systems coming to the attention of the auditors.

The audit will not be required to comply with Office of Management and Budget Circular A-133. This portion of the audit was performed by the Texas State Auditor’s Office for FY 2013 and will not be required for FY 2012.

**C. Independent Auditor:** The proposer must demonstrate the capability to perform the annual audit in accordance with generally accepted government auditing standards and Texas Higher Education Coordinating Board auditing rules. Public accounting firms that have performed annual audits for similar entities are encouraged to file a proposal. Familiarity with the accounting software Colleague from Ellucian is preferred.

## **Scope of Work**

**A.** The scope of services you propose must include the following:

1. Audited Financial Statements for fiscal years 2012 and 2013 prepared as specified by the Texas Higher Education Coordinating Board.
2. Management letter addressing internal control systems and procedures. Auditor's management comments should be addressed to the President of TSTC Waco.
3. Single Audit of federal programs in accordance with the Single Audit Act under A-133 guidelines is **not** required for FY 2012. For FY 2013 the audit was performed by the Texas State Auditor's Office.
4. Final audit reports submitted to the state of Texas State Auditor's Office.
5. Final audit reports submitted to the Board of Regents of TSTC.
6. Each published audited financial report must include the items listed below and incorporate changes as set forth by Governmental Accounting Standard Board (i.e. GASB 34 and 35):

Independent Auditor's Report  
Management's Discussion and Analysis

### **Financial Statements – Prepared by TSTC Waco**

Statement of Net Position (Assets)  
Statement of Revenues, Expenses and Changes in Net Position (Assets)  
Statement of Cash Flows  
Notes to Financial Statements

Management Letter  
Review of Internal Controls

The items should be arranged in the order listed above.

**B.** Proposer should also include other services to be provided, whether costs will be incurred for such services, and if so, what specific costs.

**C.** The audit reports shall be submitted to the college by April 15, 2014.

**D.** Prior to submission of the completed audit reports, the staff of the audit firm must review a draft of the proposed reports and management letter with the Vice President of Financial Services and such additional persons that may be designated. The college's accounting staff will be available to answer questions, to locate documents, and to assist in preparing letters, confirmations, etc.

**E.** The selected firm must retain the audit working papers for a period of not less than five years after the date of the auditor's opinion or until notified that all cognizant agency reviews have been accomplished. The working papers must be made available for review by federal and state audit agencies and by designated representatives thereof.

**F.** A total of ten copies of the Texas State Technical College Waco Audit Report for each fiscal year will be required. The following information related to Texas State Technical College Waco background is available in the office of Financial Services upon request:

1. Schedule of current grants
2. TSTC organizational charts

**G.** Texas State Technical College Waco's financial records will be complete and ready for purposes of a final audit by January 15, 2014. Interim or preliminary audit work and compliance testing can begin immediately.

# **Requirements for Proposals**

Proposals shall be prepared simply and economically, providing a description of the proposer's capabilities to satisfy the requirements of the solicitation. Emphasis should be on completeness and clarity of content.

Each proposal shall be labeled in such a manner that each and every page will be identifiable as to the proposer's name.

Proposals shall include the following information:

## **1. Transmittal letter**

The transmittal letter shall be submitted on letterhead and signed by an individual authorized to legally bind the proposer. It shall include:

- 1.1** a statement acknowledging any addenda issued for this RFP. Addenda are posted on the *Electronic State Business Daily* website (<https://esbd.cpa.state.tx.us/>) by TSTC;
- 1.2** a statement accepting financial responsibility for any expenses incurred in the preparation of the proposal, including travel expenses for oral presentations (if required), and candidate interviews; and,
- 1.3** a statement regarding any deviations from, or exceptions to, this RFP, and justification for the deviation or exception to the RFP. A response that takes exception to any mandatory item in this RFP may be rejected and may not be considered for award.

## **2. Firm ownership and organization.**

State the firm name. Give the firm's principal address and the satellite office(s) from which services under this contract will be conducted. Provide the names of contact persons principally responsible for this account, their phone numbers and office addresses. Provide the number of years the firm has been in business, and the number of years the firm has been in business at its principal address. Identify parent company if you are a subsidiary.

## **3. Litigation**

- 3.1** Is your firm a party, in any capacity, to any current, actual or pending litigation? If yes, provide the details of the litigation and explain in detail.
- 3.2** Within the last six years, has your firm, any predecessor of your firm, or any member of your firm been the subject of any stop order, consent decree, censure, reprimand, or any other disciplinary action? If yes, explain in detail.

## **4. Proposal Content**

### **A. Executive Summary:**

1. Description of the work to be done and a commitment to perform the work within the time period stated.

2. Detailed fee information for each fiscal year based on and including the following:
  - a. Categories of audit staff level
  - b. Total estimated hours by category of audit
  - c. Per hour fee to be charged for each category of audit staff
  - d. Total audit staff fees
  - e. Estimated out-of-pocket expenditures or types of expenditures
  - f. Specific details (staff level and number of hours) and additional fees if any for unforeseen problems
3. Names of persons authorized to make representation for your firm and how to contact them.

**B. Technical Component:** To determine clearly the public accounting firm's understanding of the work to be done, the proposer will:

1. Provide a definition of the term "generally accepted government auditing standards" with clear distinctions between these standards and generally accepted auditing standards for nongovernmental engagements.
2. Explain the proposer's approach to performing an annual audit, including the methodology, nature, and extent of audit procedures to be performed.
3. Make a statement concerning the independence of the proposer including direct and indirect financial interest; and the relationship of the proposed audit team to employees of TSTC and/or any of the board members.

**C. Management Component:** The proposer will furnish satisfactory evidence of capability to provide in a professional and timely manner the services stated in the Request for Proposal. To meet this requirement the proposer will:

1. Provide the name of the external quality control review organization of which the proposer is a member, and the proposer's length of membership. The proposer will also state the review organization's planned frequency of peer reviews.
2. State whether the firm has received a peer review and whether in the most recent review an unqualified report was issued.
3. State whether the proposer is a national, regional or local public accounting firm.
4. Provide evidence that the proposer has experience in performing college/governmental audits. List current and past audit clients along with the names and telephone numbers of contact persons and number of years audit services were provided.
5. State whether the proposer is currently under the term of a public or private reprimand by the Texas State Board of Public Accountancy and/or licensing boards of other states.
6. Describe the proposed audit team, in terms of job positions in the firm.



7. List names of staff member(s) who will direct the overall audit throughout the duration of the engagement as well as those staff members who will be responsible for planning, directing, and conducting substantial portions of the field work or reporting on this audit engagement. Include the educational background of all staff members named and professional licenses held.
8. Describe continuing professional education in governmental accounting and auditing received by the proposed audit team during the last two years.
9. Provide the names and qualifications of any needed outside specialists and consultants that will assist the proposer's staff members.
10. Describe the level of assistance that will be expected from TSTC personnel, including internal audit staff. Proposer will specify which schedules will be prepared by auditing firm and which scheduled will be prepared by college staff.

**D. Task/Activity Plan:** The proposer will specify budgeted hours, timelines and sequence for audit procedures, and names of staff to be assigned.

Estimated Fees: Below, state the fees for the annual audit for the fiscal year ending August 31, 2012 and August 31, 2013.

2012 Fiscal Year\$ \_\_\_\_\_  
 2013 Fiscal Year\$ \_\_\_\_\_

TSTC will pay audit fees as agreed upon in the engagement letter.

**5. References**

Respondents must provide three (3) references for which similar services are currently being performed or have been performed. References must include the name of the company/entity, length of service, contact person, and present address and phone number. References may be checked by TSTC prior to recommendation for award. (See Exhibit A, References)

**6. Execution of Offer**

**Please review and sign the Execution of Offer beginning on the next page and submit this document along with your proposal.**

## **EXECUTION OF OFFER**

### **RFP NO.: 20131126 FINANCIAL AUDIT SERVICES FROM A PUBLIC ACCOUNTING FIRM FOR TSTC WACO CAMPUS FOR FISCAL YEARS 2012 AND 2013 (SEPTEMBER 1 THROUGH AUGUST 31)**

**THIS EXECUTION OF OFFER MUST BE COMPLETED, SIGNED AND RETURNED WITH PROPOSER'S PROPOSAL. FAILURE TO COMPLETE, SIGN AND RETURN THIS EXECUTION OF OFFER WITH THE PROPOSER'S PROPOSAL WILL RESULT IN THE REJECTION OF THE PROPOSAL.**

By signature hereon, Proposer represents and warrants that:

1. Proposer acknowledges and agrees that (1) this RFP is a solicitation for proposal and is not a contract or an offer to contract; (2) the submission of a proposal by Proposer in response to this RFP will not create a contract between Texas State Technical College Waco (College) and Proposer; (3) College has made no representation or warranty, written or oral, that one or more contracts with College will be awarded under this RFP; and Proposer shall bear, as its sole risk and responsibility, any cost which arises from Proposer's preparation of a response to this RFP;
2. Proposer is a reputable company that is lawfully and regularly engaged in providing the services described in the Agreement;
3. Proposer has the necessary experience, knowledge, abilities, skills, and resources to perform the services it offers in its proposal;
4. Proposer is aware of, is fully informed about, and is in full compliance with all applicable federal, state and local laws, rules, regulations and ordinances;
5. Proposer understands (i) the requirements and specifications set forth in this RFP and (ii) the terms and conditions set forth in the Agreement under which Proposer will be required to operate;
6. If selected by College, Proposer will not delegate any of its duties or responsibilities under this RFP or the Agreement to any subcontractor, except as expressly provided in the Agreement;
7. If selected by College, Proposer will maintain all appropriate liability and other insurance coverage as required by the Agreement during the term thereof;
8. All statements, information and representations prepared and submitted in response to this RFP are current, complete, true and accurate. Proposer acknowledges that College will rely on such statements, information and representations in selecting the Contractor. If selected by College, Proposer will notify the College immediately of any material change in any matters with regard to which Proposer has made a statement or representation or provided information;

9. Proposer shall defend, indemnify, and hold harmless Texas State Technical College Waco, the State of Texas, and all of their regents, officers, agents and employees, from and against all claims, actions, suits, demands, costs (including, but not limited to reasonable attorneys' fees), damages, and liabilities, arising out of, connected with, or resulting from any acts or omissions of Proposer or any agent, employee, subcontractor, or supplier of Proposer in the execution or performance of any contract or agreement resulting from this RFP;
10. Any payments due to Proposer under any contract or agreement resulting from this RFP will be applied to any debt, including but not limited to delinquent taxes and child support that is owed to the State of Texas;
11. By signature hereon, Proposer offers and agrees to furnish the products and services more particularly described in its proposal to College and comply with all terms, conditions, requirements and specifications set forth in this RFP;
12. By signature hereon, Proposer affirms that it has not given or offered to give, nor does Proposer intend to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor or service to a public servant in connection with its submitted proposal. Failure to sign this Execution of Offer, or signing with a false statement, may void the submitted proposal or any resulting contracts, and the Proposer may be removed from all proposal lists at the College;
13. By signature hereon, a corporate Proposer certifies that it is not currently delinquent in the payment of any Franchise Taxes due under Chapter 171, Texas Tax Code, or that the corporate Proposer is exempt from the payment of such taxes, or that the corporate Proposer is an out-of-state corporation that is not subject to the Texas Franchise Tax, whichever is applicable. A false certification shall be deemed a material breach of contract and, at College's option, may result in termination of any resulting contract;
14. By signature hereon, the Proposer hereby certifies that neither the Proposer nor any firm, corporation, partnership or institution represented by the Proposer, or anyone acting for such firm, corporation or institution, has violated the antitrust laws of the State of Texas, codified in Section 15.01, et seq., Texas Business and Commerce Code, or the Federal antitrust laws, nor communicated directly or indirectly the proposal made to any competitor or any other person engaged in such line of business;
15. By signature hereon, Proposer certifies that the individual signing this document and the documents made a part of this RFP, is authorized to sign such documents on behalf of Proposer and to bind Proposer under any agreements and other contractual arrangements that may result from the submission of Proposer's proposal;

16. By signature hereon, Proposer certifies as follows:  
"Under Section 231.006, Texas Family Code, relating to child support, Proposer certifies that the individual or business entity named in the Proposer's proposal is not ineligible to receive the specified contract award and acknowledges that any agreements or other contractual arrangements resulting from this RFP may be terminated if this certification is inaccurate;"
17. By signature hereon, Proposer certifies that (i) no relationship, whether by blood, marriage, business association, capital funding agreement or by any other such kinship or connection exists between the owner of any Proposer that is a sole proprietorship, the officers or directors of any Proposer that is a corporation, the partners of any Proposer that is a partnership, the joint ventures of any Proposer that is a joint venture or the members or managers of any Proposer that is a limited liability company, on one hand, and an employee of any College component, on the other hand, other than the relationships which have been previously disclosed to College in writing and (ii) Proposer has not been an employee of any College component within the immediate twelve (12) months prior to the Submittal Deadline. All disclosures by Proposer in connection with this certification will be subject to administrative review and approval before College enters into a contract with Proposer;
18. By signature hereon, Proposer affirms that no compensation has been received for its participation in the preparation of the requirements or specifications for this RFP, in accordance with Section 2155.004, Texas Government Code;
19. By signature hereon, Proposer certifies its compliance with all federal laws and regulations pertaining to Equal Employment Opportunities and Affirmative Action;
20. By signature hereon, Proposer represents and warrants that all products and services offered to College in response to this RFP meet or exceed all applicable safety standards established and promulgated under the Federal Occupational Safety and Health Law (Public Law 91-596) and its regulations in effect or proposed as of the date of this RFP;
21. Proposer shall and has disclosed, as part of its proposal, any exceptions to the certifications stated in the Execution of Offer. All such disclosures will be subject to administrative review and approval prior to the time College makes an award or enters into any contract or agreement with Proposer;
22. By signature hereon, Proposer acknowledges that the College makes no representations of any kind that an award will be made as a result of this RFP. The Owner reserves the right to accept or reject any or all Responses, waive any formalities or minor technical inconsistencies, or delete any item/requirements from this RFP when deemed to be in the College's best interest;

23. Vendors may withdraw their proposals at any time prior to the deadline for receipt of proposals. To withdraw, Vendor must submit a written withdrawal request signed by its authorized representative(s) addressed to the Texas State Technical College Waco Procurement Officer named in this RFP;
24. The College may, in its sole discretion, respond in writing to written inquiries concerning this RFP and transmit its response as an Addendum to all parties recorded by the College as having received a copy of this RFP. **College will consider written questions until December 5, 2013 @ 5:00 p.m. for the RFP from potential Proposers.** Only the College's responses that are made by formal written Addenda shall be binding on College. Verbal and other written interpretations or clarifications shall be without legal effect. All Addenda issued by the College prior to the Submittal Deadline are incorporated as part of this RFP for all purposes.  
  
**Proposer must acknowledge all Addenda by completing, signing and returning the Addenda if issued. The Addenda(s) must be received prior to the Submittal Deadline or accompany the Proposer's proposal;**
25. Any interested party that receives this RFP by means other than directly from the College is responsible for notifying the College that it has an RFP package, and shall provide to the College such party's name, address, telephone number, e-mail address, and FAX number, in the event that College issues Addenda to this RFP;
26. Vendor shall submit an itemized invoice showing TSTC's purchase order number. TSTC will incur no penalty for late payment if payment is made in 30 or fewer days from receipt of goods or services and an uncontested invoice.
27. The vendor agrees to protect TSTC from claims involving infringement of patents or copyrights as related to the proposed contract.
28. Vendor hereby assigns to ordering agency any and all claims for overcharges associated with this contract arising under the antitrust laws of the United States 15 U.S.C.A. Section 1, et seq. (1973), and the antitrust laws of the State of Texas, TEX. Bus. & Comm. Code Ann. Sec. 15.01, et seq. (1967).
29. Any terms and conditions attached to a bid will not be considered unless specifically referred to on this bid form and may result in disqualification of the bid. The dispute resolution process provided for in chapter 2260 of the Texas Government Code must be used by the ordering agency and the contractor to attempt to resolve all disputes arising under this contract.
30. Changes in the law that may be enacted by the State or Federal Legislature, in session, could alter the scope of requirements as stated in this document. Proposals should conform to all statutes in effect at the time of proposal opening.

**31. Proposer shall complete the following information:**

Proposer's FEI Number: \_\_\_\_\_

If Proposer is a Sole Proprietorship, then SS Number: \_\_\_\_\_

If Proposer is a Corporation, then the State of Incorporation: \_\_\_\_\_

If Proposer is a Corporation, then Proposer's Corporate Charter Number: \_\_\_\_\_

**NOTICE: WITH FEW EXCEPTIONS, INDIVIDUALS ARE ENTITLED ON REQUEST TO BE INFORMED ABOUT THE INFORMATION THAT GOVERNMENTAL BODIES OF THE STATE OF TEXAS COLLECT ABOUT SUCH INDIVIDUALS. UNDER SECTIONS 552.021 AND 552.023, TEXAS GOVERNMENT CODE, INDIVIDUALS ARE ENTITLED TO RECEIVE AND REVIEW SUCH INFORMATION. UNDER SECTION 559.004, TEXAS GOVERNMENT CODE, INDIVIDUALS ARE ENTITLED TO HAVE GOVERNMENTAL BODIES OF THE STATE OF TEXAS CORRECT INFORMATION ABOUT SUCH INDIVIDUALS THAT IS INCORRECT.**

## Execution of Offer Signature Page

Submitted and Certified By:

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(Proposer's Entity Name)

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(Signature of Duly Authorized Representative)

—

---

(Printed Name and Title of Representative)

---

Date

---

(Street Address)

---

(City, State, Zip Code)

---

(Telephone Number)

---

(FAX Number)

## **Format for Response**

### **General Instructions**

1. Response shall be prepared simply and economically, providing a straightforward, concise description of the respondent's ability to meet the requirements of this RFP. Emphasis shall be on the quality, completeness, clarity of content, responsiveness to the requirements, and an understanding of Owner's needs.
2. Response shall be as concise as possible while maintaining completeness.
3. Respondents shall carefully read the information contained in this RFP and submit a complete response to all requirements and questions as directed. Incomplete responses will be considered non-responsive and subject to rejection.
4. Responses shall consist of answers to questions in the RFP under "Requirements for Proposals" plus other required documents. It is not necessary to repeat the question. However, it is essential to reference the question number with the corresponding answer.
- 5. Immediately below the return address on your SEALED BID ENVELOPE, annotate the bid opening date and requisition number for identification purposes.**
6. Failure to comply with all requirements contained in this Request for Proposal may result in rejection.

### **Page Size and Binding**

1. Qualifications shall be printed on letter-size (8-1/2" x 11") paper.
2. Additional attachments shall NOT be included. Only the responses provided by the respondent to the questions identified of this RFP will be used by the Owner for evaluation.

## **Evaluation of Proposals**

An evaluation team made up of individuals from TSTC Waco will evaluate the proposals and submit a recommendation for final approval.

Any response that takes exception to any mandatory item(s) in this Proposal process may be rejected and not considered. Any response to the RFP that does not include a response to all the required information may be rejected and not considered. A notation of "Not applicable" as appropriate will be considered a valid response.



**Proposals will be evaluated using the criteria listed below:**

**A. Professional Qualifications:** The evaluation of professional qualifications of the proposers will be based on the following criteria:

1. **Mandatory Criteria** - Proposals will not be considered for further evaluation unless there is compliance with **all** of the following criteria. The proposer:

- a. Must be an independent auditor properly licensed for public practice.
- b. Must meet the independence standards of Government Auditing Standards, 1999 Revision, United States General Accounting Office (GAO).
- c. Must not have a record of substandard work.
- d. Must submit a proposal meeting all the requirements of the Request for Proposal.

**2. Technical Criteria** - Proposals which have met each of the criteria above will be evaluated on the following criteria:

- a. Technical experience of the firm:
  - (1) Auditing experience in Texas colleges
  - (2) Auditing experience in government entities
- b. Characteristics of the staff, including consultants to be assigned to the audit:
  - (1) Size and structure of the firm, including audit staff positions
  - (2) Qualifications of supervisory personnel, consultants, and the field auditing team
    - (a) Education, including continuing education courses taken during the past two years
    - (b) Years and types of experience
  - (3) General direction and supervision to be exercised over the audit team by the firm's management personnel
- c. Familiarity and experience with accounting software Colleague from Ellucian.

**3. Clear understanding of the work to be performed:**

- a. Comprehensiveness of the audit work plan
- b. Realistic time estimates of each major segment of the work plan, and the estimated number of hours for each staff level including consultants assigned

c. Final reports to be completed by April 15, 2014.

#### **4. Cost Criteria - Cost of the audit**

#### **5. Oral Interviews (if necessary)**

The TSTC Waco Purchasing Department reserves the right to contact any proposer, at any time, to clarify, verify or request information with regard to any proposal.

**TSTC Waco** reserves the right to reject any and all proposals and to accept the proposal TSTC Waco considers most advantageous. Acceptance of a proposal will be based on the total package of services offered by the proposer.

### **Term of Service**

Terms of the Audit Engagement: The contract for audit services only applies to the annual audits for fiscal years 2012 and 2013.

The contract is subject to cancellation, without penalty, either in whole or in part, if funds are not available during the term of the contract. TSTC Waco reserves the right to cancel contract during the year (at any time) if proposer is not in compliance with the terms of the contract. The contract may be canceled by either party with a 30 day written notice.

### **Schedule of Events**

Texas State Technical College Waco reserves the right to change the dates shown below upon written notification.

<b><u>EVENT</u></b>	<b><u>DATE/TIME</u></b>
Issue of Bid	November 26, 2013 (Tuesday)
Deadline for Questions	December 5, 2013, 5:00PM (Thursday)
Submission of RFP	December 10, 2013, 3:00PM (Tuesday)
Estimated Date of Award	December 11, 2013 (Wednesday)
Estimated Date Service Will Begin	ASAP

### **College Contacts**

Any questions or concerns regarding this Request for Proposal shall be directed in writing, preferably via e-mail. College specifically requests that Proposers restrict all contact and questions regarding this RFP to the named individual.

**Melissa Warren, CTP**  
*Director of Procurement Services*  
Texas State Technical College Waco  
Procurement Services  
3801 Campus Drive  
Waco, TX 76705

**RFP DEADLINE AND LOCATION**

Proposers will submit two (2) bound copies of the proposal, with one (1) clearly marked “Original.” The proposals must be received no later than Monday, December 10, 2013, at 3:00 p.m. CST, at the TSTC Waco Procurement Services Department. Proposals received after the deadline will not be considered.

**Please Return your SEALED RFP package to –**

**MAIL PROPOSALS TO: HAND DELIVER PROPOSALS TO:**

<b>TEXAS STATE TECHNICAL COLLEGE</b>	<b>TEXAS STATE TECHNICAL COLLEGE</b>
<b>ATTN: Melissa Warren, CTP</b>	<b>ATTN: Melissa Warren, CTP</b>
<b>PROCUREMENT SERVICES</b>	<b>PROCUREMENT SERVICES</b>
<b>RFP No: 20131126</b>	<b>RFP No: 20131126</b>
<b>3801 Campus Drive</b>	<b>103 10<sup>th</sup> St. (on campus address only)</b>
<b>Waco, TX 76705</b>	<b>Waco, TX 76705</b>

**Exhibit A  
References**

This Exhibit A must be completed and submitted with the proposal. Indicate three (3) references in accordance with RFP.

- 1. Company Name: \_\_\_\_\_  
Contact Person: \_\_\_\_\_  
Title: \_\_\_\_\_  
Email Address: \_\_\_\_\_  
Phone/Fax Number: \_\_\_\_\_  
Address: \_\_\_\_\_
  
- 2. Company Name: \_\_\_\_\_  
Contact Person: \_\_\_\_\_  
Title: \_\_\_\_\_  
Email Address: \_\_\_\_\_  
Phone/Fax Number: \_\_\_\_\_  
Address: \_\_\_\_\_
  
- 3. Company Name: \_\_\_\_\_  
Contact Person: \_\_\_\_\_  
Title: \_\_\_\_\_  
Email Address: \_\_\_\_\_  
Phone/Fax Number: \_\_\_\_\_  
Address: \_\_\_\_\_